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Senator Louis Luchini, Chair Representative Christopher Caiazzo, Chair Members, Joint Standing Committee on Veterans and Legal Affairs 100 State House Station Augusta, ME 04333-0100

Re: LD 1352 – An Act to Regulate Sports Betting

LD 1404 – An Act to Legalize Sports Betting and Strengthen Public Education

LD 1405 – An Act to Regulate, Tax and Control Sports Wagering

LD 1527 – An Act to Ensure Proper Oversight of Sports Betting in the State

Senator Luchini, Representative Caiazzo, and Members of the Joint Standing Committee on Veterans and Legal Affairs:

The Division of Support Enforcement and Recovery ("DSER") of the Office for Family Independence of DHHS collects child support payments on behalf of custodial parents and as a means of reimbursing the TANF program for state funds expended on families needing assistance. We offer the following information to aid the committee during its deliberation of LDs 1352, 1404, 1405, and 1527.

Under current law, DSER intercepts pari-mutuel, slot machine and table games winnings to pay past due child support debt. The statutory authorities are found in MRS Title 8, Sections 300-B and 1066. These laws were passed by the 122^{nd} Maine Legislature to ensure that the financial well-being of children and families is given priority over other uses of gaming proceeds. DSER views the Legislature's choice as a wise one. Since 2014, DSER has collected more than \$800,000.00 in winnings from casinos and off-track betting facilities which was then paid out to custodial parents who were owed support.

Were any of these bills to be passed, DSER supports the inclusion of language proposed to mirror language in existing statutes and make sports wagering winnings subject to intercept to collect past due child support. Guidance to DSER in the form of definitions, persons covered and the intercept process, as provided in these bills, is also appreciated.

To implement the current statutes, DSER created an internet-based web portal that provides gaming facilities (Licensees) with an efficient and secure mechanism to match the names of child support debtors against those whose winnings require filing a Form W-2G with the Internal Revenue Service. The portal also serves as the Registry described in Section 1218(3). Using the portal is straightforward – Licensees login, enter the name and social security number of the winner and immediately learn if the winner owes past due child support and how much is owed. The system calculates the withholding amount and the Licensee retains as a transaction fee

(\$10.00). The portal is secure and easily accessible. If any of these bills becomes law, the Division will provide training and assistance to sports wagering Licensees.

Thank you for the opportunity to provide information on LDs 1352, 1404, 1405, and 1527. I would be happy to provide any additional information that the Committee may want or need.

Sincerely,

Jerry Joy, Director

Division of Support Enforcement

Department of Health and Human Services